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TO RUEHC/SECSTATE WASHDC IMMEDIATE 4637
INFO RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE
RUEHAR/AMEMBASSY ACCRA 2901
RUEHDS/AMEMBASSY ADDIS ABABA 3020
RUEHRL/AMEMBASSY BERLIN 1452
RUEHBY/AMEMBASSY CANBERRA 2283
RUEHDK/AMEMBASSY DAKAR 2650
RUEHKM/AMEMBASSY KAMPALA 3068
RUEHNR/AMEMBASSY NAIROBI 5511
RUEAIIA/CIA WASHDC
RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK
RHMFISS/EUCOM POLAD VAIHINGEN GE
RHEFDIA/DIA WASHDC
RUEHGV/USMISSION GENEVA 2196
RHEHAAA/NSC WASHDC

UNCLAS SECTION 01 OF 05 HARARE 000507

SENSITIVE
SIPDIS

AF/S FOR B. WALCH
DRL FOR N. WILETT
ADDIS ABABA FOR USAU
ADDIS ABABA FOR ACSS
STATE PASS TO USAID FOR J. HARMON AND L. DOBBINS
STATE PASS TO NSC FOR SENIOR AFRICA DIRECTOR MICHELLE GAVIN

E.O. 12958: N/A
TAGS: [EINV](#) [KIDE](#) [PGOV](#) [PHUM](#) [PREL](#) [ZI](#) [ECON](#)
SUBJECT: ZIMBABWE: 2009 INVESTMENT DISPUTES AND
EXPROPRIATION REPORT

REF: STATE 49477

SUMMARY

¶1. (SBU) The United States Government is aware of ten (10) claims of United States persons which may be outstanding against the Government of Zimbabwe (GOZ). All ten claims arise out of the GOZ's Land Resettlement Program, which commenced in 2000. The general pace of land seizure has slowed, as very few non-indigenous commercial farmers are left on their properties. Nevertheless threats of seizure by individuals and government officials are unabated and disruptions to the operation of the remaining non-indigenous commercial farmers are frequent. END SUMMARY.

¶2. (SBU) Under its continuing Land Resettlement Program, the GOZ has targeted almost all farm or wildlife property owned by non-indigenous landowners for compulsory acquisition. The GOZ has consistently maintained that no compensation will be made for land itself, but that compensation will be made for improvements to the property. However, to date, the GOZ has not compensated any American Claimants for either acquired property or improvements to property. Disruptions posed by land reform and the economy's generally chaotic conditions complicate meaningful valuation of the land or of any improvements made. However, the values of the eight American citizen Claimants, properties at issue range from USD 100,000 to more than USD 2,000,000.

¶3. (SBU) In 2005, Parliament amended the constitution to grant title to the government of all agricultural land acquired in the past under the land reform program and any agricultural land that may be acquired in the future. The amendment removed the right of landowners, whose land has been acquired, to challenge the acquisition in court. There has been no progress either on the ground or in the courts to resolve compensation issues for the American-owned properties. Because of judicial and political chaos during

the land seizures, it is difficult to state precisely when most of the ten landowners were legally dispossessed. Therefore, the dates of seizure offered below are approximations only.

¶4. (SBU) Nine of the ten properties have received either Preliminary or Final Notices of Acquisition from the GOZ. Most of the American citizens affected have not asked the Embassy to intervene beyond raising the issue of compensation with appropriate GOZ officials in our normal course of meetings and through diplomatic notes.

¶5. (SBU) a. Claimant A

b. 2002

c. Claimant A reported that his 2,969 hectare game ranch in Marula, Matabeleland South province, had been invaded by approximately eight war veterans, and that a prosperous and connected Zimbabwean was grazing his cattle on the property. Approximately 60 sabres had been released from a grazing pen and had subsequently disappeared) either escaped from the property or poached. Last contact with Claimant A was in June 2008, when the Claimant reported no change in the situation. Claimant has not responded to inquiries from Post in 2009.

¶6. (SBU) a. Claimant B

b. 2002

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c. Claimant B had an 85-hectare flower)exporting farm in Mashonaland East province that was listed for compulsory acquisition by the GOZ under an initial notice of acquisition (Section 5 notice). In 2004 the Mashonaland East Governor signed a "delisting" form, but the Local Government and Land Ministries refused to assent. Claimant B then attempted to sell his property to the nephew of the Chief Justice of Zimbabwe's Supreme Court, but the sale fell through as the nephew reneged on payment. Claimant B is off the farm, and the Commander of the Zimbabwe Defence Forces, General Constantine Chiwenga, currently farms the land. In June 2009, Claimant reported no change in the situation in the past year.

¶7. (SBU) a. Claimant C

b. 2003

c. Claimant C received a final notice of acquisition (Section 8 notice) in January, 2003. Claimant C purchased the 7,618-hectare property in 1985 with Zimbabwe Investment Center (ZIC) certificates to run a hunting and photographic safari business. The property is part of a 17-farm, 80,000 hectare private wildlife conservancy that receives donor funding for the conservation of black rhinos. However poaching in recent years has reduced the black rhino population from 55 to 22 and jeopardized donor funding. The conservancy owners are being harassed by some members of the local population, who are demanding a revenue share in the conservancy. Claimant C has stopped his safari business, as he claimed invaders had poached all of the game. Claimant C had been protesting the acquisition through Zimbabwe's courts. After receiving permanent residency in South Africa, Claimant C was laying the groundwork to emigrate but, at last contact, was unable to secure the proper documentation to move personal belongings out of Zimbabwe. In June 2009, Claimant C reported no change in the situation in the past year.

¶8. (SBU) a. Claimant D

b. 2002

c. Claimant D's rural wildlife-based property, which was transferred from a Zimbabwean spouse to a trust benefiting the couple's two U.S. citizen children, is located in the district of Hwange. Claimant D used the 420-hectare property primarily for hunting and photographic safari purposes. The property was allocated to a Zimbabwean settler who has done nothing with the land. Claimant D left the farm on October 1, 2002 and the settler kicked off all of Claimant D's employees from the land by March 2004. Claimant D has asked the Embassy not to pursue this case through official channels. In May 2008, Claimant reported no change in the situation in the past year. Claimant has not responded to inquiries from Post in 2009.

19. (SBU) a. Claimant E

b. N/A

c. Claimant E has received a Section 5 notice but is still in possession of the property in the district of Bikita in southern Zimbabwe. This property is dedicated to a Qsouthern Zimbabwe. This property is dedicated to a 26-property wildlife conservancy containing both black and white rhinos. The GOZ has announced plans to implement a land tenure scheme whereby title of conservancies reverts to the State, which then grants a 25-year lease to each property

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owner. In return, the current owners would agree to indigenize their businesses through shareholder equity. The 25-year leases would be automatically renewable, but not transferable. In 2008, Ambassador Dell raised Claimant E's case with Environment and Tourism Minister Francis Nhema, who indicated that he would like to see Claimant E and the rest of the conservancy join the Trans-Frontier Conservation Area (a park linking tracts in Zimbabwe, Mozambique, and South Africa). In 2009, Ambassador McGee again raised Claimant E's case with Zimbabwean government officials. Claimant E informed Post in 2009 that he, along with other conservancy members, continue to negotiate a solution with the GOZ that will address ownership and joining the TFCA.

110. (SBU) a. Claimant F

b. 2004

c. Claimant F owns a 996-hectare farm and does not have a Zimbabwe Investment Certificate. Claimant F was able to move much of his irrigation and farm equipment off the property prior to losing control of the farm but lost 170 head of cattle. Settlers first arrived on the farm in 2000 but Claimant F maintained good relations with them and local police, and Claimant continued to have access to the farm until 2004. From May to July 2004, Claimant F received Section 5 and Section 8 notices of acquisition and asked the Embassy to write a diplomatic note protesting the intended acquisition. The Embassy did so and received a pro forma response. Shortly thereafter, Claimant F was no longer afforded access to the farm and was effectively dispossessed of the land. There have been no further developments on the ground and Claimant F decided not to use the courts as the GOZ was not enforcing judgments adverse to its own interests.

In June 2009, Claimant F informed Post that there had been no change in the status of the claim in the past year.

111. (SBU) a. Claimant G

b. N/A

c. Registered in 1997, Claimant G is a subsidiary trust of a California-registered Non-Profit Religious Organization that established an environmental and life skills teaching center operating near Kadoma. Claimant G purchased the 160-hectare parcel in 1999 but has been unable to obtain a proper transfer of title. Nonetheless, in addition to having

exclusive use of the land since 1999, Claimant G has the Agreement of Sale as proof of purchase. In November 2004, Claimant G received a Section 5 initial notice of acquisition, to which it responded in court as well as by correspondence to various Zimbabwean government entities. Claimant G also received a Section 8 notice of immediate acquisition, which it is contesting in the courts. More recently, the Ministry of Education has interceded on Claimant G's behalf, which has allowed them to remain on the property. Last contact with the Claimant was in 2009.

¶12. (SBU) a. Claimant H

b. 2006

c. Claimant H informed the Embassy in April, 2006 that he Qc. Claimant H informed the Embassy in April, 2006 that he was the owner, along with his non-American citizen parents, of a 33-hectare plot in Nyanga, Eastern Highlands. Claimant H resides in Mozambique; his parents resided on the Nyanga site, where they grew apples on part of the plot and sold them in the local market. Although the plot is registered as a residential and not agricultural property, it was gazetted

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(Section 5 initial notice of acquisition) for takeover. In April 2007, the Claimant informed Post that his parents had been forced off the land. It is becoming increasingly clear, however, that the Amcit is a minority share holder and his parents, who are not Amcits, are the majority landowner. Claimant has not responded to inquiries from Post in 2009.

¶13. (SBU) a. Claimant I

b. 2008

c. Claimant I is an American citizen and owns a 101-acre flower farm just north of Harare that was managed by a tenant farmer since 2004. Claimant I currently resides in South Africa and informed Post in December 2008 that their tenant farmers were being forced off the farm by a group of individuals claiming to represent an unnamed ZANU-PF member of Parliament. The group bore a final notice of acquisition (Section 8 Notice) for the property. Claimant I is the only living title holder to the property. In June 2009, Claimant I told the Embassy that an employee of the tenant farmer was shot and killed during the takeover.

¶14. (SBU) a. Claimant J

b. 2009

c. Claimant J is an American citizen who purchased an idle farm in Mutorashanga in Mashonaland West province in the mid 1990s and revitalized the property in conjunction with two local partners. Claimant J owns approximately half of the enterprise which includes both cattle and planted crops. Beginning in 2002, the niece of the President of Zimbabwe began demanding that Claimant J and his partners leave the property and periodically settled groups of people on the property to harass the residents. This person had previously seized five other farms. In April 2009, the local partners were forced off the property after being threatened with violence. The settler did not present any documentation claiming the property and defied three local High Court rulings stating that Claimant J and his partners held legal title and had a right to remain on the farm. The settler has reduced the cattle from 150 cows to 20 cows and sold valuable farming equipment including tractors and irrigation systems. Claimant J runs a Christian NGO and divides his time between Florida, Maine, and various African locations. Last contact with Claimant J was in June 2009.

¶15. (SBU) List of Claimant names:

Claimant A: William Holmes Taylor IV and two sons, all

American citizens, with property owned in trust by Emblehope Enterprises (Pvt.) Ltd., a Zimbabwean entity. Taylor and his two sons are the primary beneficiaries. No PAW signed.

Claimant B: Edward Galante, an American citizen, with the property owned by Machera Farming Enterprises (Pvt.) Ltd., a Zimbabwean entity. Galante and his two AmCit children are the primary beneficiaries. No PAW signed.

Claimant C: Sam and Janet Chambliss, both American citizens. The property is owned by Twin Springs Conservancy (Pvt.) Ltd. With Sam and Janet Chambliss as the sole shareholders. No PAW signed.

Claimant D: Debbie Rabinovitch and minor children Diane and Desmond Rabinovitch, all American citizens. The property is owned by a Zimbabwean trust of which Diane and Desmond are the beneficiaries. No PAW signed.

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Claimant E: Weldon and Kathy Schenck, both American citizens. The property is owned by a Zimbabwean trust due to interrelated obligations of conservancy landowners. No PAW signed.

Claimant F: Terry and Joan Ryan, husband is Zimbabwean and wife is American citizen. The property is owned under J.T. Management Consultancy (Pvt.) Ltd. No PAW signed.

Claimant G: Lasting Impressions Wilderness Training Corporation, aregistered California Non-Profit Religious organization, which wholly owns and controls The Lasting Impressions Trust, a Zimbabwean entity. Shelly Croudace, a director of The Lasting Impressions Trust is our contact and is an American citizen as well. No PAW signed.

Claimant H: Lance Edwards, an American citizen. It is our understanding the Mr. Edwards lives in Mozambique and owns a small share in the property. It has been the principle residence of his non-American parents. No PAW signed.

Claimant I: Patricia Dillon, an American citizen. Ms. Dillon lives in South Africa and has retained Mike Smith (likely Zimbabwean commercial farmer) since 2004 as tenant farmer. No PAW signed.

Claimant J: Mike Henderson, an American citizen. Mr. Henderson runs a Christian NGO and divides his time between Florida, Maine, and Africa. He owns about half of a farm in Mutorashanga and is represented locally by attorney David Drury. He and his two local partners were evicted from their farm by President Mugabe's niece in April 2009. No PAW signed.

MCGEE